

Fair Political Practices Commission
Memorandum

To: Chairman Johnson, Commissioners Hodson, Huguenin, Leidigh, and Remy
From: Michael B. Salerno, Executive Director
Subject: Executive Director's Report
Date: January 29, 2008

This is a summary of administrative activity and other matters since the report sent to you prior to the last Commission meeting.

STAFF PROJECTS

Technical Assistance:

Seminars: Dixie Howard and Tara Stock made presentations to the filing officers in San Diego County. Cynthia Jones presented a seminar to the San Diego Court. Tara Stock made a presentation to filing officers in Alameda County.

CONFLICT-OF-INTEREST CODES

Pursuant to Section 87300 of the Government Code and Commission Regulation 18750.1, state and multi-county agencies seeking to adopt or substantively amend a conflict-of-interest code must submit the proposed code to the Commission for review and approval. The Technical Assistance Division has reviewed and, since the last agenda, I have approved the following conflict of interest codes:

Code Amendment

Ca. Department of Transportation (new positions and disclosure categories)
Corcoran Unified School District (new positions)
Los Gatos-Saratoga Union School District (new positions)
River Delta Unified School District (new positions)

Code Adoption

Exclusive Risk Management Authority of Ca.
No. California Gas Authority Number 1

REQUEST FOR EXTENSION OF COMMITTEE TERMINATION

Doug LaMalfa for Assembly Committee - A request for extension of termination deadline was granted on January 24, 2007.

FINDING OF PROBABLE CAUSE

Pursuant to Regulation 18361, I designated Lawrence T. Woodlock, Senior Commission Counsel, to conduct a probable cause hearing. He found sufficient evidence in the following case to lead a person of ordinary caution and prudence to believe or entertain a strong suspicion

that the following respondent committed or caused a violation of the Political Reform Act. **This finding of probable cause does not constitute a finding that a violation has actually occurred. The respondent is presumed to be innocent of any violation of the Act unless a violation is proved in a subsequent proceeding.**

In the Matter of Lawrence Franzella, FPPC No. 04/004. On January 9, 2008, probable cause was found to believe that Respondent Lawrence Franzella violated the Act as described in the following seven counts:

COUNT 1: On August 13, 2002, as the Mayor of the City of San Bruno, Respondent Lawrence Franzella made a governmental decision in which he had a financial interest, by voting to approve Alternative Five of the proposed Caltrain Grade Separation project alternatives, which involved relocating the train station at Sylvan Avenue that was within 500 feet of his real property, in violation of Section 87100 of the Government Code.

COUNT 2: On or about March 4, 2004, Respondent Lawrence Franzella failed to disclose income from Umesh and Naleen Maharaj from the sale of his real property on January 14, 2003, on his 2003 annual statement of economic interests, in violation of Sections 87200 and 87207 of the Government Code.

COUNT 3: On or about February 10, 2003, Respondent Lawrence Franzella failed to disclose income from five Trotter-Vogel Realty, Inc. clients (Mr. and Mrs. Borghello, Veronica Giessener, Susan Schaukowich, Tim and Renee Schaukowich, and Frank Schaukowitch), in which his pro rata share was \$10,000 or more, on his 2002 annual statement of economic interests, in violation of Sections 87200 and 87207(b) of the Government Code.

COUNT 4: On or about March 4, 2004, Respondent Lawrence Franzella failed to disclose income from three Trotter-Vogel Realty, Inc. clients (Mr. and Mrs. Bruns, Morgan Trust, and James Delia), in which his pro rata share was \$10,000 or more, on his 2003 annual statement of economic interests, in violation of Sections 87200 and 87207(b) of the Government Code.

COUNT 5: On or about February 2, 2005 Respondent Lawrence Franzella failed to disclose income from three Trotter-Vogel Realty, Inc. clients (William Stewart, Halter Estate and Marilyn Thorne), in which his pro rata share was \$10,000 or more, on his 2004 annual statement of economic interests, in violation of Sections 87200 and 87207(b) of the Government Code.

COUNT 6: On or about February 9, 2006 Respondent Lawrence Franzella failed to disclose income from six Trotter-Vogel Realty, Inc. clients (Edward and Ermenia Simon, Drake Trust, William Maher, Nierenberg Trust, Estate of Selvaggio, and Estate of Pfeiffer), in which his pro rata share was \$10,000 or more, on his 2005 annual statement of economic interests, in violation of Sections 87200 and 87207(b) of the Government Code.

COUNT 7: On or about March 26, 2007, Respondent Lawrence Franzella failed to disclose income from eight Trotter-Vogel Realty, Inc. clients (Spinharney Trust, William and Mickie Stevens, Estate of Selvaggio, Hennessey Trust, Jen White, Grundy Trust, Michelle Schaukowitch, and Ruth Craig), in which his pro rata share was \$10,000 or more, on his 2006 annual statement of economic interests, in violation of Sections 87200 and 87207(b) of the Government Code.